

22 February 1977

REVISION NO. 4: Chart and Description of Accounts,
Voluntary Investment Plan

SUBJECT : New Pages 39a and 40a; Revised Pages
3, 7(to 9), 11, 17, 19, 24, 40 and 42

1. The Chart and Description of Accounts, Voluntary Investment Plan is revised as follows:

a. New Accounts:

- 464 - Unrealized Member Gains (Losses) on
Units Transferred - Growth Fund
- 467 - Unrealized Member Gains (Losses) on
Units Transferred - Income Fund

b. Revised Accounts:

- 113 - Investments - Growth Fund
- 114 - Investments - Income Fund
- 335 - Contributions - Growth Fund
- 339 - Contributions - Income Fund
- 351 - Undistributed Equity
- 469 - Member Gains (Losses) on
Withdrawal - Income Fund

c. Change in Title:

- 466 - Gains (Losses) on Units Withdrawn -
Growth Fund (formerly titled Gains
(Losses) on Shares Withdrawn -
Growth Fund)

2. New accounts 464 and 467 have been established to provide for recording the unrealized member gain or loss on units of equity transferred between the Growth Fund and the Income Fund.

3. The changes in revised accounts numbers 113, 114, 335, 339 and 351 provide appropriate reference to the entries required to the new accounts.

4. The change in title of account 466 is to properly state the term used for member equity in the Voluntary Investment Plan.


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5. The change in revised account 469 is to provide reference to entries required to account 114 rather than to account 113 as previously stated.

6. This revision notice should be filed with the Chart and Description of Accounts, Voluntary Investment Plan for reference purposes. The new and revised pages should be filed and old pages 3, 7(to 9), 11, 17, 19, 24, 40 and 42 should be destroyed.


Thomas B. Yale
Director of Finance

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Attachments

VOLUNTARY INVESTMENT PLANINDEX OF ACCOUNTSA. ASSET ACCOUNTS

- 102 - Cash in Bank
- 103 - Short-Term Investments - Income Fund
- 113 - Investments - Growth Fund
- 114 - Investments - Income Fund
- 118 - Unrealized Appreciation (Depreciation) - Growth Fund
- 151 - Accrued Interest Receivable - Income Fund
- 161 - Dividends Receivable - Growth Fund
- 165 - Accounts Receivable

B. LIABILITY & NET WORTH ACCOUNTS

- 221 - Accounts Payable
- 335 - Contributions - Growth Fund
- 339 - Contributions - Income Fund
- 351 - Undistributed Equity

C. NOMINAL ACCOUNTS

- 453 - Dividend Income - Growth Fund
- 454 - Capital Gains - Growth Fund
- 455 - Interest Income - Income Fund
- 456 - Interest Income - Short-term Investments - Income Fund
- 464 - Unrealized Member Gains (Losses) on Units Transferred - Growth Fund
- 466 - Gains (Losses) on Units Withdrawn - Growth Fund
- 467 - Unrealized Member Gains (Losses) on Units Transferred - Income Fund

113 - Investments - Growth Fund

This account represents the book value of units currently outstanding based upon the cost of shares purchased and the shares received as dividend income or capital gains distribution based upon bid price used by fund for issue. A Fund portfolio record will be maintained for each Mutual Fund which will reflect the shares purchased, price per share, cumulative total of shares owned, the dollar amount of each transaction and the dollar balance. The official record of units outstanding which will be used for computing current unit values for the purpose of issuing new units and for computing the book value of units to be withdrawn or transferred will be maintained in conjunction with Account 335.

Debit this account with:

- (a) Amounts, representing payroll deductions and cash contributions less amounts retained to liquidate equities being withdrawn or transferred and amounts retained for accounts payable to the Agency for services rendered, disbursed for purchase of Mutual Fund shares (contra to account 102).
- (b) Cash value of member Growth Fund equities liquidated for withdrawal or transfer to Income Fund when proceeds for liquidation are obtained by netting against current contributions (contra to account 113 for book value of equities and debit or credit as appropriate to account 466 with concurrent entry to debit account 335, debit or credit account 464 or 468 and credit account 339 or 221 and debit or credit account 467, if a transfer, for applicable amounts).
- (c) Amounts representing value of Income Fund units liquidated for purpose of transfer to Growth Fund which are disbursed for purchase of Mutual Fund shares (contra to account 102 with concurrent entry to switch

Credit this account with:

- (a) Book value of Growth Fund equities liquidated for withdrawal or transfer to Income Fund (contra to account 113 for current cash value of equities (this debit will be to account 102 or account 165 if proceeds for liquidation are obtained by sale of mutual fund shares) and debit or credit as appropriate to account 466 for VIP gain or loss with concurrent entry to debit account 335, debit or credit account 464 or 468 and credit account 339 or 221 and debit or credit account 467, if a transfer, for applicable amounts.)
- (b) Book value of Growth Fund equities liquidated by issuance of Mutual Fund shares (contra to account 335 for balance of member's contribution, account 466 for the difference between book value and cash value of the equities being liquidated and account 468 for the difference between the member's contribution and the cash value).

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114 - Investments - Income Fund

This account represents the principal on deposit with Connecticut General Life Insurance Company. The balance of this account should be reconciled to the amounts shown on statements received from Connecticut General after each purchase. The official record of units outstanding which will be used for computing current unit values for the purpose of issuing new units will be maintained in conjunction with Account 339.

Debit this account with:

(a) Amounts deposited with Connecticut General under the investment contract (contra to account 102 or 103). These amounts represent payroll deductions, cash contributions and values of Growth Fund equities liquidated for transfer to the Income Fund less amounts retained to liquidate equities being withdrawn or transferred and amounts retained for accounts payable to the Agency for services rendered.

(b) Amount of interest credited to the VIP account by Connecticut General (contra to account 151).

Credit this account with:

(a) Amounts received from Connecticut General to provide funds required over and above current period contributions for withdrawal or transfer to Growth Fund (contra to account 102 or 165 with concurrent entry to debit account 339, credit account 335 or 221 and debit account 467 or 469 and credit account 464, if a transfer, for applicable amounts).

(b) Cash value of Income Fund equities liquidated by issuance of an annuity by Connecticut General (contra to account 339 for member's balance and credit to account 469 for the excess of the cash value over the member's contributions).

NOTE: In view of fact that principal and interest are "guaranteed" no provision is made for computing VIP gains on liquidations.

335 - Contributions - Growth Fund

This account represents the balance of member contributions currently held or used by VIP for investment in assets held for the Growth Fund. Accountability for member equities will be maintained in terms of dollars as well as units. The "item" section of the General Ledger will be posted to reflect (1) units issued, (2) units withdrawn, (3) unit price and (4) total units outstanding. The Office of Data Processing will maintain a subsidiary account for each member reflecting current balances of contributions and of units.

Debit this account with:

(a) Amount of member's balance on full withdrawal of equity (contra to accounts 221 and 468 as appropriate with concurrent entry as necessary to adjust accounts 113 and 466).

(b) Cash value of units liquidated representing a partial withdrawal of a member's equity not to exceed the member's balance (contra account 221 and, if appropriate, debit account 339 for any portion of cash value which exceeds the member's balance in this account; concurrent entry to adjust accounts 113 and 466, as appropriate).

(c) Amount of member's balance for units exchanged for units of the Income Fund (average contribution per unit in the case of partial exchange (contra to account 339 with concurrent entries to adjust the account 102 subsidiaries and to debit account 114 and credit account 113 and debit or credit accounts 464 and 467 for

Credit this account with:

(a) Amounts of current period payroll deductions (contra to account 102).

(b) Amounts of direct contributions (contra to account 102).

(c) Amounts of contributions transferred from account 339 in connection with Growth Fund Units acquired by exchange of Income Fund Units with concurrent entries as required to adjust accounts 113 and 114 and the account 102 subsidiary accounts and debit or credit accounts 464 and 467 for the difference between book value and unit value of the Income Fund Units.

339 - Contributions - Income Fund

This account represents the balance of member contributions currently held or used by VIP for deposits with the Connecticut General Life Insurance Company. Accountability for member equities will be maintained in terms of dollars as well as units. The "item" section of the General Ledger will reflect current (1) units issued, (2) units withdrawn, (3) unit price and (4) total units outstanding. The Office of Data Processing will maintain a subsidiary account for each member reflecting current balances of contributions and of units.

Debit this account with:

(a) Amount of member's balance on full withdrawal of equity (contra to accounts 221 and 469 as appropriate with concurrent entry as necessary to adjust account 114.)

(b) Cash value of units liquidated representing a partial withdrawal of a member's equity not to exceed the member's balance (contra to account 221 and, if appropriate, debit account 335 for any portion of cash value which exceeds the member's balance in this account; concurrent entry to adjust account 114.)

(c) Amount of member's balance for units exchanged for units of the Growth Fund (average contributions per unit in the case of a partial exchange (contra to account 335 with concurrent entries to debit account 113 and credit account 114 and to adjust the account 102 subsidiaries)) and to debit or credit accounts 464 and 467 for the difference between book value and unit value of the Income Fund Units.

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Credit this account with:

(a) Amounts of current period payroll deductions (contra to account 102).

(b) Amounts of direct contributions (contra to account 102).

(c) Amounts of contributions transferred from account 335 in connection with Income Fund Units acquired by exchange of Growth Fund Units with concurrent entries as required to adjust accounts 113 and 114 and the account 102 subsidiary accounts and to debit or credit accounts 464 and 467 for the difference between the book value and unit value of the Growth Fund Units.

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351 - Undistributed Equity

This account will reflect on a cumulative basis as of the end of each calendar year differences between book value of investments and current balances of member contributions - such differences will be comprised principally of the net sum of (1) the equity value (bid price as of date of issuance) of units acquired without cost, (2) administrative expenses, (3) differences between entity gains or losses on withdrawals and related member gains or losses. The sum (1) of this account (including balances of the nominal accounts which are closed into this account), (2) the Unrealized Appreciation Income Accounts and (3) the Contribution Accounts will equal sum of (1) the market value of equity investments, (2) book value plus accrued interest receivable of guaranteed interest investments, (3) dividends receivable and (4) net value of uninvested resources, if any.

Debit this account with:

Amount at the end of the calendar year necessary to close out accounts 464, 466, 467, 468, 469 and 476.

Credit this account with:

Amount at the end of the calendar year necessary to close out accounts 453, 454, 455, 456, 464, 466, 467, 468, 469 and 476.

464

464 - Unrealized Member Gains (Losses) on Units Transferred - Growth Fund

This account is reciprocal to account 467 and represents amounts of unrealized member gains or losses on units transferred to or from Income Fund. Such gains or losses represent the difference between the member's contributions and the cash value of the units of the date of the transfer.

Debit this account with:

(a) Amount of unrealized member gains on units transferred to or from Income Fund (credit account 467 with concurrent entries to debit or credit account 335 and account 339 for transfer of members' contributions and debit or credit accounts 466 and 113 and 114 for applicable amounts).

(b) Amount of debit balance in this account transferred at the close of the calendar year to 351.

Credit this account with:

(a) Amount of unrealized member loss on units transferred to or from Income Fund (debit account 467 with concurrent entries to debit or credit account 335 and account 339 for transfers of members' contributions and debit or credit accounts 466 and 113 and 114 for applicable amounts).

(b) Amount of credit balance in this account transferred at the close of the calendar year to 351.

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466

466 - Gains (Losses) on Units Withdrawn - Growth Fund

This account represents amounts of gains or losses on units liquidated during the year to accommodate withdrawal of member's equity. Such gains or losses represent the difference between the book value of units as of date of liquidation and the cash value of the units as of such date.

Debit this account with:

(a) Amount of loss on units withdrawn (debit account 113 with cash value and credit account 113 with book value of units liquidated; concurrent entries to debit account 335, credit account 221 and debit or credit account 468; when liquidation is by issuance of Mutual Fund shares, debit account 335 for member's contribution, credit account 113 with the book value of the liquidated equities and debit or credit account 468 for the difference between the member's contribution and the cash value.)

(b) Amount of credit balance in this account transferred at the close of the calendar year to account 351.

Credit this account with:

(a) Amount of gain on units withdrawn (debit account 113 with cash value and credit account 113 with book value of units liquidated; concurrent entries to debit account 335, credit account 221 and debit or credit account 468; when liquidation is by issuance of Mutual Fund shares, debit account 335 for member's contribution, credit account 113 with the book value of the liquidated equities and debit or credit account 468 for the difference between the member's contribution and the cash value.)

(b) Amount of debit balance in this account transferred at the close of the calendar year to account 351.

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467

467 - Unrealized Member Gains (Losses) on Units Transferred -
Income Fund

This account is reciprocal to account 464 and represents amounts of unrealized member gains or losses on units transferred to or from Growth Fund. Such gains or losses represent the difference between the members' contributions and the cash value of the units of the date of the transfer.

Debit this account with:

(a) Amount of unrealized member gains on units transferred to or from Growth Fund (credit account 464 with concurrent entries to debit or credit account 339 and account 335 for transfer of members' contributions and debit or credit to accounts 113 and 114 for applicable amounts).

(b) Amount of debit balance in this account transferred at the close of the calendar year to 351.

Credit this account with:

(a) Amount of unrealized member loss on units transferred to or from Growth Fund (debit account 464 with concurrent entries to debit or credit account 339 and account 335 for transfer of members' contributions and debit or credit accounts 113 and 114 for applicable amounts).

(b) Amount of credit balance in this account transferred at the close of the calendar year to 351.

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469

469 - Member Gains (Losses) on Withdrawals - Income Fund

This account represents amounts of gains or losses realized by members on units liquidated during the year to accommodate full withdrawal of member's equity. Such gains or losses represent the difference between the member's contributions and the amount returned to the member.

Debit this account with:

(a) Amount of member gain on full withdrawal of equity (debit account 339 for member's contribution and credit account 221 for cash value of units liquidated; when liquidation is by issuance of an annuity by Connecticut General debit account 339 for member's contribution and credit account 114 for cash value of unit liquidated).

(b) Amount of credit balance in this account transferred at the close of the calendar year to account 351.

Credit this account with:

(a) Amount of member loss on full withdrawal of equity (debit account 339 for member's contribution and credit account 221 for cash value of units liquidated; when liquidation is by issuance of an annuity by Connecticut General debit account 339 for member's contribution and credit account 114 for cash value of unit liquidated).

(b) Amount of debit balance in this account transferred at the close of the calendar year to account 351.

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